



Missouri Economic Indicator Brief: Manufacturing Industries

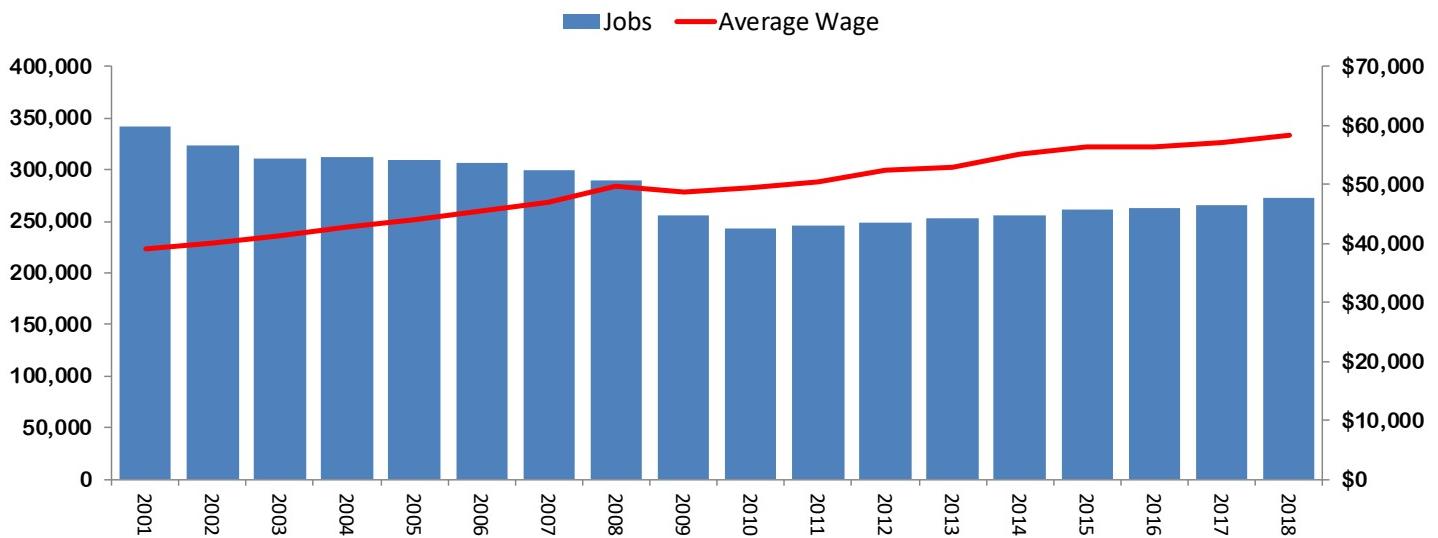
Manufacturing is a major component of Missouri's \$317.7 billion economy. It represents 12.8 percent (\$40.7 billion) of the 2018 Gross State Product (GSP). Nationally, manufacturing contributed 11.4 percent to GDP. Change over the past five years in Missouri's manufacturing GSP averaged 2.8 percent annual growth; nationally, average growth was 3.2 percent.

Manufacturing accounts for 11.5 percent of the state's private sector employment: 273,163 jobs across 6,476 establishments. The industry has added 20,439 jobs since 2013, growing 1.6 percent per year over five years compared to the nation's 1.1 percent growth rate over the same period.

Manufacturing wages continue to grow, statewide and nationally. Missouri's 2018 manufacturing payroll totaled \$15.9 billion, a \$58,359 average wage. This is higher than the state's \$49,600 average private sector wage.

Employment	273,163
GSP Share	12.8 Percent
Average Wage	\$58,359

Missouri Manufacturing Employment and Wages 2001 - 2018

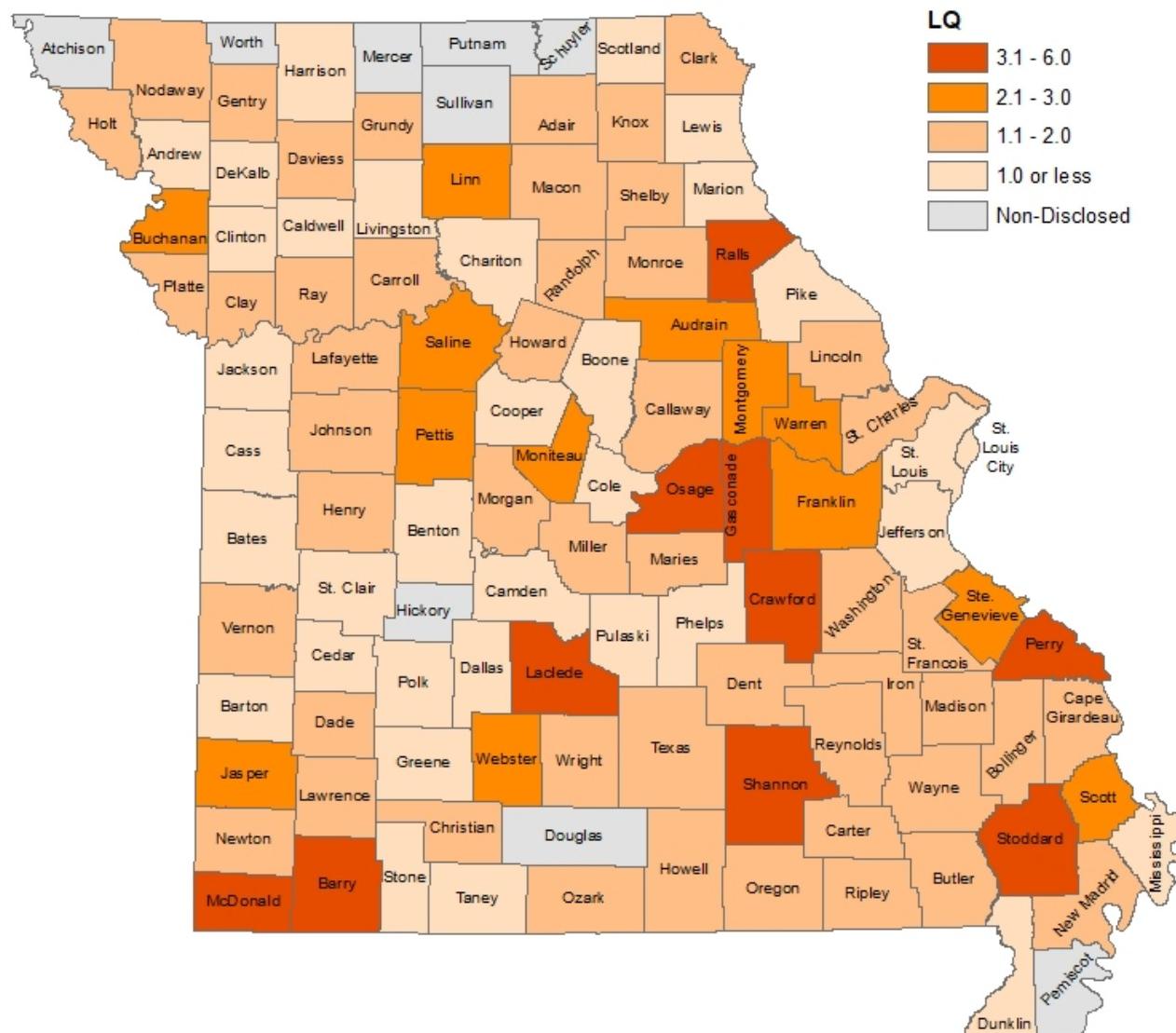


MANUFACTURING INDUSTRIES

Location Quotient Analysis

Location Quotient (LQ) compares the regional share of an industry to the national share so that a LQ over 1 indicates sectors of employment concentration. Missouri, with a LQ of 1.13, has a greater share of its workers employed in the manufacturing sector than the nation as a whole. **About 61 percent, or 70 out of Missouri's 115 counties, have a LQ over one, which demonstrates a greater specialization in manufacturing compared to the nation.**

2018 Manufacturing Location Quotient by County



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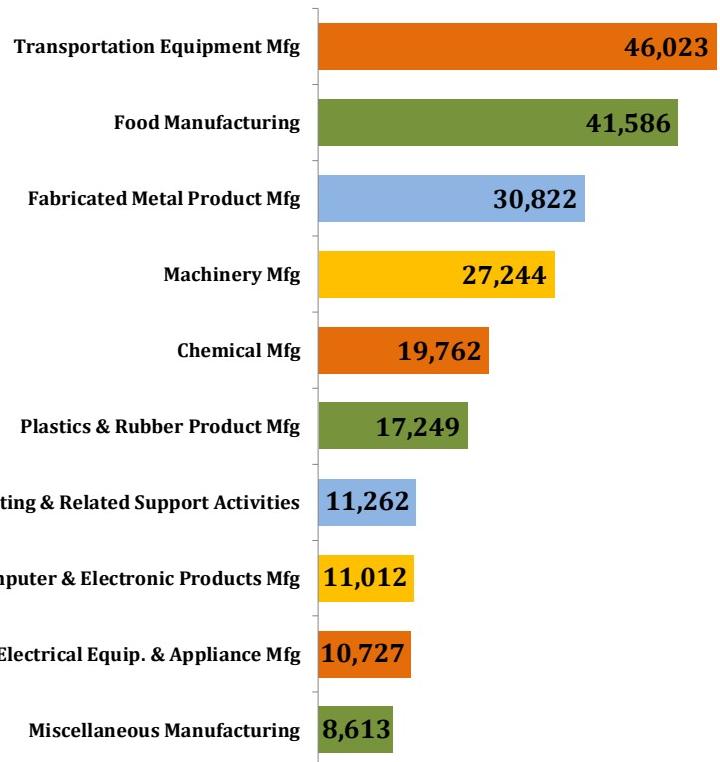
Economic Contribution

Manufacturing industries make a significant contribution to the Missouri economy, directly and indirectly. Direct contributions come from employment in manufacturing firms and the compensation paid to industry workers. Indirect benefits come from business-to-business transactions and from workers who spend their earnings on consumer goods and services.

Manufacturing's contribution to the Missouri economy is measured in terms of jobs created, incomes earned and value-added. Value-added, a measure of industry sales minus production costs refers to an industry's share of Gross State Product (GSP).

Multipliers are a summary statistic indicating the magnitude of an industry's impact on the economy. For example, a multiplier of 2.0 means that for every \$1 in value-added generated by manufacturing, the state's GSP increases an additional \$1.

TOP TEN MANUFACTURING INDUSTRIES Direct Employment



ECONOMIC IMPACT OF MANUFACTURING

	Direct	Indirect	Total	Multiplier
Employment	273,163	501,954	775,118	2.8
Labor Income	\$20.8 Billion	\$25.3 Billion	\$46.1 Billion	2.2
Value-Added	\$40.7 Billion	\$42.7 Billion	\$83.4 Billion	2.0

Missouri had an estimated 6,476 manufacturing establishments in 2018 that directly employed 273,163 workers, paid \$20.8 billion in labor income and compensation, and contributed \$40.7 billion to the gross state product. The impact resulted in an increase of \$42.7 billion in additional economic activity.

Manufacturing's total impact— direct and indirect effects— on the state economy was \$83.4 billion. Manufacturing industries and indirect industries supported 775,118 workers paying about \$46.1 billion in labor income and compensation.

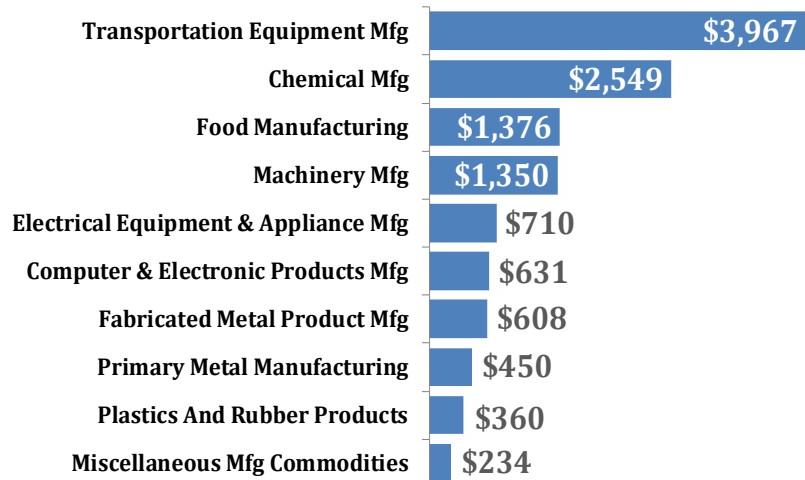
MANUFACTURING INDUSTRIES

2018 Manufacturing Exports

Manufacturing exports totaled nearly \$13.2 billion dollars. This is up slightly from roughly \$13.1 billion in 2017. Of the top ten exports, there was a 0.7 percent increase from 2017 to 2018.

Missouri's highest valued industry exports were *Transportation Equipment* and *Chemicals*. The largest gain within the top ten was *Primary Metal Mfg.*, which rose 10.6 percent in 2018 to \$450 million. *Miscellaneous Commodities Mfg.* had the greatest decline at 3.3 percent, from \$242 million to \$234 million.

TOP TEN MANUFACTURING EXPORTS in millions of dollars



International Markets

Over \$14.5 billion worth of both manufactured and other commodity products were shipped to other countries through Missouri ports. The top export destinations were Canada and Mexico followed by China, Japan, Belgium, Germany, Republic of Korea, United Kingdom, Australia, and France. In 2018, Missouri's high-value shipment to Canada and Republic of Korea was *Transportation Equipment*; to Mexico and Japan was *Food Products*; and to China, Belgium, Germany, United Kingdom, Austria, and France was *Chemicals*.

2018 Annual Missouri Exports

Top Ten Destinations & Export Product

Country	Export Value	Primary Export
Canada	\$5,590,435,594	Transportation Equipment
Mexico	\$2,610,218,817	Food and Kindred Products
China	\$780,121,424	Chemicals
Japan	\$532,116,362	Food and Kindred Products
Belgium	\$495,062,573	Chemicals
Germany	\$439,101,867	Chemicals
Korea, Republic Of	\$335,864,530	Transportation Equipment
United Kingdom	\$322,524,330	Chemicals
Australia	\$308,705,657	Chemicals
France	\$245,389,246	Chemicals

MANUFACTURING INDUSTRIES

Notes:

Gross State Product data was obtained from the Bureau of Economic Analysis.

Employment numbers were obtained from the Quarterly Census of Employment and Wages (QCEW), Bureau of Labor Statistics. Industries are classified according to North American Industry Classification System (NAICS).

Location quotients were generated for manufacturing industries using 2018 annual Bureau of Labor Statistics data.

The economic contribution analysis was developed using the IMPLAN Group LLC economic model.

2018 Missouri manufacturing export data were obtained from the World Institute for Strategic Economic Research (WISER) Trade database.

NAICS Industry Description

311	Food Products
312	Beverage and Tobacco Products
313	Textile Mills
314	Textile Product Mills
315	Apparel
316	Leather and Allied Products
321	Wood Products
322	Paper
323	Printing
324	Petroleum and Coal Products
325	Chemicals
326	Plastics and Rubber Products
327	Nonmetallic Mineral Products
331	Primary Metal
332	Fabricated Metal Products
333	Machinery
334	Computer and Electronic Products
335	Electrical Equipment
336	Transportation Equipment
337	Furniture
339	Miscellaneous

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